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**UNITED STATES DISTRICT COURT  
FOR THE CENTRAL DISTRICT OF CALIFORNIA**

**SEAN LEONARD,**

**Plaintiff,**

**v.**

**NAVY FEDERAL CREDIT  
UNION; EARLY WARNING  
SERVICES, LLC;**

**Defendants.**

**Case No.:**

**COMPLAINT FOR DAMAGES  
FOR VIOLATIONS OF:**

- 1) FAIR CREDIT REPORTING  
ACT, 15 U.S.C. §§ 1681, *ET SEQ.*;**
- 2) CALIFORNIA CONSUMER  
CREDIT REPORTING  
AGENCIES ACT, CAL. CIV.  
CODE § 1785.1, *ET SEQ.*;**
- 3) ELECTRONIC FUNDS  
TRANSFER ACT, 15 U.S.C. §§  
1693, *ET SEQ.***

**JURY TRIAL DEMANDED**

## INTRODUCTION

1. Plaintiff SEAN LEONARD (“Plaintiff”) brings this action for actual damages, punitive damages, statutory damages, attorney fees and costs, and any other relief the court deems proper against Defendants NAVY FEDERAL CREDIT UNION (“Navy”) and Early Warning Services, LLC (“Early Warning”), (collectively referred to as “Defendants”) for violations of the Fair Credit Reporting Act (“FCRA”), 15 U.S.C. §§ 1681, *et seq.*; the California Consumer Credit Reporting Agencies Act (“CCCRAA”), Cal. Civ. Code §1785.1, *et seq.*; and Electronic Funds Transfer Act (“EFTA”), 15 U.S.C. § 1693 *et seq.* stemming from unauthorized electronic funds transfers and Defendants’ inaccurate reporting of checking account fraud on Plaintiff’s consumer reports.
2. The United States Congress has found that the banking system is dependent upon fair and accurate credit reporting. Inaccurate credit reports directly impair the efficiency of the banking system, and unfair credit reporting methods undermine the public confidence, which is essential to the continued functioning of the banking system. As such, Congress enacted the Fair Credit Reporting Act, 15 U.S.C. § 1681, *et seq.* (“FCRA”) to insure fair and accurate reporting, promote efficiency in the banking system and protect consumer privacy. The FCRA seeks to ensure consumer reporting agencies exercise their grave responsibilities with fairness, impartiality, and a respect for the consumer’s right to privacy because consumer reporting agencies have assumed such a vital role in assembling and evaluating consumer credit and other information on consumers. The FCRA also imposes duties on the sources that provide credit information to credit reporting agencies, called “furnishers.”
3. The stated purpose of the Electronic Fund Transfers Act, 15 U.S.C. § 1693, *et seq.* (“EFTA”), is to “provide a basic framework establishing the rights, liability, and responsibilities of participants in electronic fund transfer systems.” 15 U.S.C. § 1693(b). EFTA’s “primary objection...is the provision of individual

consumer rights.” *Id.* Moreover, the language of EFTA indicates that the consumer protection measures contemplated by it are aimed at promoting disclosure, preventing fraud, and allocating liability. *Id.*, at 1693d-1.

4. Plaintiff makes these allegations on information and belief, with the exception of those allegations that pertain to the Plaintiff, or to the Plaintiff’s counsel, which Plaintiff alleges on personal knowledge.

5. While many violations are described below with specificity, this Complaint alleges violations of the statute cited in its entirety.

6. All violations by Defendants were knowing, willful, and intentional, and Defendants did not maintain procedures reasonably adapted to avoid any such violations.

7. Unless otherwise indicated, the use of Defendants’ names in this Complaint includes all agents, principles, managing agents, employees, officers, members, directors, heirs, successors, assigns, principals, trustees, sureties, subrogees, representatives, and insurers of the Defendants named.

#### **JURISDICTION AND VENUE**

8. This action arises out of violations of the FCRA and EFTA.

9. Jurisdiction of this Court arises pursuant to 28 U.S.C. § 1331, 15 U.S.C. §§ 1681, *et seq.*; and 15 U.S.C. § 1693 *et seq.*

10. The violations alleged herein against Plaintiff, at all relevant times herein, occurred in the county of Los Angeles, State of California, where Plaintiff resides and within this District.

11. Because Defendants conduct substantial business within the State of California (including Los Angeles County, California), personal jurisdiction is established.

12. Venue is proper in this District pursuant to 28 U.S.C. § 1391 because the acts and transactions occurred here, Plaintiff resides in this judicial district, and Defendants transact business here.

**PARTIES**

13.Plaintiff is a natural person who, at all relevant times alleged herein, resides in the County of Los Angeles, State of California.

14.Plaintiff is also a “consumer” as that term is defined by 15 U.S.C. 1693a(6).

15.Plaintiff is also a “person” as that term is defined by Cal. Civ. Code § 1785.3(j).

16.Upon information and belief, Navy is a federal credit union with its headquarters in Vienna, Virginia and corporate offices in California (among other states), including in Los Angeles County.

17.Navy routinely engages in the practice of electronic fund transfers as defined by 15 U.S.C 1693a(7).

18.Navy is a “financial institution” as defined by 15 U.S.C. 1693a(9).

19.Navy is also a “person” as defined by Regulation E in 12 C.F.R. 1005.2(j).

20.In addition, this case involves Plaintiff’s “consumer report” as that term is defined by 15 U.S.C. § 1681a(d)(1) in that inaccurate representations of Plaintiff’s credit worthiness, credit standing, credit history, account balance and credit capacity were made via written, oral, or other communication of information to and by a consumer reporting agency, which is used or is expected to be used, or collected in whole or in part, for the purposes of serving as a factor in establishing Plaintiff’s eligibility for, among other things, credit to be used primarily for personal, family, household and employment purposes.

21.Navy is also a furnisher of information as contemplated by FCRA sections 1681s-2(b).

22.Upon information and belief, Early Warning is a limited liability company located in the State of Arizona and is a “person” as defined by 15 U.S.C. § 1681a(b).

23.Early Warning is a “consumer reporting agency” as that term is defined by 15 U.S.C. § 1681a(f).

**FACTUAL ALLEGATIONS**

24. At all times relevant, Plaintiff is an individual residing within the State of California.

25. Prior to June of 2024, Plaintiff maintained the following checking accounts with Navy: Account Ending in 4134, Account Ending in 3875, Account Ending in 9538, Account Ending in 9645 (Joint Account with Isaiah Burnett), and Account Ending in 8022 (Joint Account with Eva Leonard).

26. At all times, Plaintiff maintained his Navy Federal accounts in good standing, with positive balances across all Navy accounts.

27. However, on or about June 6, 2024, Plaintiff received a phone call from Navy's collections department advising that his accounts were overdrawn, and that Navy was seeking to collect on the resulting negative balances.

28. Plaintiff was shocked and confused by the call, as he had no reason to believe that any of his accounts were overdrawn or that he had incurred any significant recent charges.

29. Plaintiff immediately logged into his online banking portal and discovered that his checking accounts had been debited numerous times on June 5, 2024, through a series of unauthorized transactions made at multiple GameStop retail locations across Southern California.

30. Upon review, Plaintiff identified approximately 37 unauthorized debit transactions totaling \$18,652.60, along with an additional late fees, which had been posted to his Navy Accounts.

31. These transactions were not authorized by Plaintiff, nor did Plaintiff receive any benefit from them. Plaintiff did not make any purchases at GameStop on or around June 5, 2024.

32. As a matter of fact, Plaintiff was nowhere near any GameStop location on June 5, 2024.

33. Plaintiff was alarmed and deeply distressed by the scope and nature of the

1 fraudulent charges, particularly given that many of the unauthorized transactions  
2 appeared to occur nearly simultaneously at different locations.

3 34. In addition, prior to the date of the unauthorized debits, Plaintiff had “frozen” all  
4 of his Navy Account using Navy’s own digital card controls.

5 35. Nevertheless, for some reason, the unauthorized transactions were able to be  
6 processed.

7 36. Plaintiff immediately contacted Navy’s fraud department and spoke with a  
8 representative. Plaintiff reported the unauthorized transactions orally and was  
9 told to follow up with written disputes.

10 37. Plaintiff promptly complied with Navy Federal’s instructions and submitted five  
11 timely written disputes in June 2024, each corresponding to the affected  
12 accounts. He continued following up in July and August.

13 38. In his June 2024 disputes, Plaintiff clearly explained the circumstances, stated  
14 that he had no knowledge of the source of the unauthorized transactions, and  
15 requested that Navy conduct an investigation and refund the disputed amounts.

16 39. Between late June and early July 2024, Navy responded to Plaintiff’s disputes by  
17 stating that GameStop had “submitted credits for the transactions [Plaintiff]  
18 identified as fraudulent,” and informed Plaintiff that the fraud claim had been  
19 closed.

20 40. However, Navy misunderstood the substance of Plaintiff’s disputes. Plaintiff had  
21 clearly challenged a different set of transactions—those that occurred after the  
22 credits were issued by GameStop.

23 41. The later transactions were not refunded, and Plaintiff maintained that they were  
24 unauthorized.

25 42. Plaintiff continued to reach out to Navy, asking it to reopen the investigation and  
26 repeatedly clarifying that the transactions in question were not authorized by him  
27 and that he received no benefit from them.

28 43. Throughout July and August 2024, Plaintiff submitted multiple detailed written



1 dispute letters through Navy's secure messaging portal, explaining that the  
2 transactions at issue were unauthorized. Despite these efforts, Navy failed to  
3 provide a meaningful response or conduct a proper investigation.

4 44. In addition, Plaintiff had multiple conversations with Navy's customer service  
5 and fraud department representatives, some of whom explicitly acknowledged  
6 that the transactions appeared to be unauthorized.

7 45. On or about August 5, 2024, Plaintiff filed an identity theft report under penalty  
8 of perjury with the Federal Trade Commission, outlining the details of the  
9 unauthorized transactions.

10 46. On or about August 7, 2024, Plaintiff also filed a police report with the Los  
11 Angeles Police Department concerning the same unauthorized activity.

12 47. That same day, Plaintiff submitted another detailed statement to Navy  
13 recounting the events surrounding the unauthorized transactions and included  
14 copies of both the FTC Identity Theft Report and the LAPD Victim Receipt.

15 48. Nevertheless, Navy continued to respond with the same position—that  
16 GameStop had already issued credits for the disputed transactions—despite the  
17 fact that no such credits had been issued for the transactions Plaintiff was  
18 disputing.

19 49. Navy repeatedly denied Plaintiff's claims without conducting a reasonable or  
20 adequate investigation into the actual disputed transactions.

21 50. Had Navy reviewed the content of Plaintiff's dispute letters and the supporting  
22 documentation he provided, it would have recognized that the transactions in  
23 question were clearly unauthorized and constituted errors.

24 51. Despite Plaintiff's repeated efforts, Navy has not returned any of Plaintiff's  
25 funds. His accounts remain overdrawn by more than \$15,000.00.

26 52. Navy did not issue any provisional credits to Plaintiff while it reviewed the  
27 Plaintiff's claims.

28 53. In addition, Plaintiff repeatedly requested copies of the documents or evidence



1 that Navy Federal relied on during its investigation. Plaintiff received no  
2 materials in return.

3 54.As a matter of fact, in one instance, Plaintiff received a response from Navy that  
4 documentation would not be supplied for “compliance” reasons.

5 55.Plaintiff has been subjected to the distressing experience of fraud. Plaintiff has  
6 taken proactive measures to substantiate his disputes, obtaining a police report  
7 from his local police department.

8 56.At no point during the investigation did Navy proactively seek out Plaintiff for  
9 any supporting documents or additional information.

10 57.Navy’s investigation was unreasonable.

11 58.More specifically, Navy should have discovered from its own records, including  
12 Plaintiff’s investigative materials, that the transfers at issue were unauthorized.

13 59.Navy did not have a reasonable basis for believing that Plaintiff’s accounts were  
14 not in error.

15 60.Navy knowingly and willfully concluded that Plaintiff’s accounts not in error  
16 when such conclusion could not reasonably have been drawn from the evidence  
17 available to Navy at the time of its investigation.

18 61.To date, Navy did not compensate Plaintiff for the damages Claimant incurred as  
19 a result of Navy’s violations.

20 62.Since Plaintiff’s efforts to be absolved of the unauthorized transfers were  
21 unsuccessful, Plaintiff was required to bring this action to finally resolve  
22 Plaintiff’s disputes.

23 63.In or around August 2024, Plaintiff visited a Wescom Credit Union branch in  
24 West Los Angeles, California, and applied to open a deposit account.

25 64.Wescom Credit Union denied Plaintiff’s application and advised Plaintiff to  
26 contact Early Warning for more information regarding the basis of the denial.

27 65.On or about August 20, 2024, Plaintiff submitted a written request to Early  
28 Warning for a copy of his consumer report by transmitting the request via





1 facsimile to the number provided by Early Warning on its website: +1 (480) 656-  
2 6850.

3 66.Early Warning received Plaintiff's faxed request, as it was sent successfully and  
4 directed to the number designated by the company for such consumer requests.

5 67.Despite receiving the request, Early Warning failed to provide Plaintiff with a  
6 copy of his consumer report or any of the information contained in his consumer  
7 file.

8 68.In or around January 2025, having still not received his Early Warning consumer  
9 report, Plaintiff submitted a second request for his consumer report using the  
10 online request portal offered by Early Warning.

11 69.Upon review of his Early Warning consumer report, Plaintiff was shocked to  
12 find out that in his Early Warning consumer report, Navy Account Ending in  
13 3875 indicated a status of *checking account fraud*.

14 70.It was at that point that Plaintiff discovered Navy had reported him to Early  
15 Warning for alleged checking account fraud.

16 71.Plaintiff did not participate in any fraudulent activity and had no knowledge or  
17 reason to believe that any of his actions could be considered "fraudulent."

18 72.In reality, Plaintiff was the victim of unauthorized transactions, which he  
19 promptly reported to Navy upon discovery.

20 73.Rather than conducting a reasonable investigation into Plaintiff's disputes, Navy  
21 instead reported Plaintiff to Early Warning for alleged checking account fraud.

22 74.This reporting was unfounded, as the facts alleged herein show the opposite to  
23 be true—Plaintiff did not commit any fraud.

24 75.Instead, Plaintiff was the one who identified and disputed fraudulent activity on  
25 his own accounts, which is further supported by the fact that he filed an identity  
26 theft report with the Federal Trade Commission and a police report with the Los  
27 Angeles Police Department.

28 76.On or about April 4, 2025, frustrated and desperate to correct his consumer



1 report, Plaintiff sent Early Warning a written dispute containing: (1) a detailed  
2 narrative concerning the circumstances of the inaccurate reporting; (2) a copy of  
3 the Los Angeles Police Department Victim Receipt; (3) a copy of Plaintiff's  
4 Social Security Card; and (4) a copy of Plaintiff's driver's license.

5 77. Plaintiff's dispute to Early Warning clearly identified the account at issue and  
6 provided a detailed explanation of the events, including the unauthorized  
7 transactions, his efforts to dispute them with Navy, the filing of a police report,  
8 and Navy's failure to take appropriate action.

9 78. In addition, Plaintiff's dispute to Early Warning expressly stated that he had not  
10 engaged in any fraudulent activity and, in fact, was the victim of unauthorized  
11 transactions that he had reported to Navy Federal. This was further supported by  
12 the police report he included with his dispute submission.

13 79. In a letter dated April 23, 2025, Navy responded to Plaintiff's April 4, 2025  
14 dispute to Early Warning stating, "We have investigated your claim and found  
15 that the information we reported to the consumer reporting agency was accurate  
16 and does not warrant an adjustment."

17 80. In a letter dated April 26, 2025, Early Warning responded to Plaintiff's April 4,  
18 2025 dispute indicating its investigation is now complete.

19 81. The results of Early Warning purported investigation were that Early Warning  
20 found that "THE INFORMATION CONTAINED IN [PLAINTIFF'S] FILE IS  
21 ACCURATE AND COMPLETE AS OF THE DATE IT WAS FURNISHED  
22 TO OUR DATABASE."

23 82. Upon information and belief, as of the date of this Complaint, Early Warning is  
24 still reporting the Navy Account Ending in 3875 to Plaintiff's consumer report as  
25 *checking account fraud*.

26 83. Upon information and belief, Early Warning did nothing more than forward  
27 Plaintiff's dispute to Navy and relied solely on Navy's representations in  
28 reaching its reinvestigation outcome.

1 84.The detailed narrative and supporting documents provided by Plaintiff should  
2 have prompted Early Warning to question the accuracy of its reporting.

3 85.Despite clear evidence that Plaintiff was the victim of unauthorized activity,  
4 Early Warning ignored the substance of his dispute.

5 86.In addition, Early Warning provided no meaningful explanation of its  
6 reinvestigation process, nor did it explain why it continued to report Plaintiff for  
7 alleged checking account fraud despite the uncontroverted documentation  
8 showing he was a victim of unauthorized electronic fund transfers.

9 87.Early Warning’s reinvestigation process was cursory, automated, and lacked any  
10 individualized consideration of Plaintiff’s evidence or the surrounding  
11 circumstances.

12 88.Early Warning did not contact Plaintiff for any clarification, did not request  
13 additional documentation, and made no effort to verify the legitimacy or  
14 accuracy of the evidence Plaintiff had already submitted.

15 89.As a result of Early Warning’s failure to conduct a reasonable reinvestigation,  
16 inaccurate and damaging information continued to be reported about Plaintiff,  
17 including a false claim that he had engaged in checking account fraud in  
18 connection with his Navy Federal Account Ending in 3875.

19 90.As the data furnisher for Plaintiff’s Account, Navy has control over the status of  
20 Plaintiff’s Account, including suppression and permanently deleting or  
21 modifying incorrect reporting at issue, yet, upon information and belief, it has  
22 failed to do so as the Navy Federal Account Ending in 3875 is still reporting as  
23 fraud on Plaintiff’s Early Warning consumer report as “checking account fraud.”

24 91.Similarly, Early Warning has a duty to reasonably investigate Plaintiff’s written  
25 disputes, which was clearly not done here. Upon information and belief, as of the  
26 date of the filing of this Complaint, the Navy Federal Account Ending in 3875 is  
27 being reported as checking account fraud by Early Warning and was not  
28 promptly deleted or modified in response to Plaintiff’s April 2025 dispute.



1 92.The harm caused by Defendants is continuing through the present day. Indeed,  
2 Plaintiff still has feelings of embarrassment, shame and hopeless that he might  
3 never get this situation resolved—especially since the Navy Federal Account  
4 Ending in 3875 is still being reported to Plaintiff’s Early Warning consumer  
5 report as *checking account fraud*.

6 93.On information and belief, Navy has not taken affirmative steps to suppress the  
7 reporting of the Account as checking account fraud to Plaintiff’s consumer  
8 report.

9 94.Through this conduct, Navy has violated Cal. Civ. Code 1785.25(a) by  
10 furnishing information to consumer reporting agency that Navy knew or should  
11 have known was inaccurate.

12 95.Upon information and belief, Navy submitted inaccurate information regarding  
13 Plaintiff to Early Warning every thirty days during the period of, at least, April  
14 2025 through the present.

15 96.Accordingly, Navy willfully and negligently failed to comply with its duties to  
16 reasonably investigate Plaintiff’s disputes and to update the reporting of the  
17 Navy Account accurately by permanently removing, blocking and/or suppressing  
18 the inaccurate reporting from Plaintiff’s consumer reports and also updating  
19 Plaintiff’s associated information.

20 97.Navy’s inaccurate and negative reporting damaged Plaintiff’s creditworthiness  
21 and has affected Plaintiff negatively due to the misleading nature of Navy’s  
22 inaccurate reporting regarding the status of the Navy Federal Account Ending in  
23 3875.

24 98.As a result of the actions alleged herein, Early Warning also failed to conduct a  
25 reasonable investigation with respect to the disputed information as required by  
26 15 U.S.C. §1681i.  
27  
28



1 99. Plaintiff's continued efforts to correct Defendants' erroneous and negative  
2 reporting by communicating Plaintiff's disputes with Early Warning were  
3 fruitless.

4 100. Defendants' continued inaccurate and negative reporting of the inaccurate  
5 information to Plaintiff's consumer reports in light of Defendants' knowledge of  
6 the actual error was willful.

7 101. Defendants' continued inaccurate and negative reporting of the inaccurate  
8 information to Plaintiff's consumer report in light of Defendants' knowledge of  
9 the actual error was reckless.

10 102. Defendants' failure to correct the inaccuracies on Plaintiff's consumer reports  
11 was intentional and in reckless disregard of Defendants' duty to refrain from  
12 reporting inaccurate information.

13 103. Accordingly, Defendants willfully and negligently failed to comply with  
14 Defendants' respective duties to reasonably investigate Plaintiff's dispute.

15 104. Defendants' inaccurate and negative reporting damaged Plaintiff's  
16 creditworthiness.

17 105. Defendants' conduct alleged herein has also caused Plaintiff emotional distress  
18 that continues until the present day as the Navy Federal Account Ending in 3875  
19 continues to be reported inaccurately to Plaintiff's consumer reports.

20 106. Plaintiff has spent countless hours disputing this inaccurate information  
21 without success.

22 107. Plaintiff's anxiety, frustration, stress, lack of sleep, nervousness, anger, and  
23 embarrassment continues to this day because the inaccurate reporting of the  
24 Navy Federal Account Ending in 3875 mischaracterizes Plaintiff as someone  
25 that engages in fraud and significantly harms Plaintiff's ability to bank at other  
26 institutions because Plaintiff is otherwise in good standing despite the reporting  
27 for fraud that Plaintiff never committed.  
28



1 108. As a direct and proximate result of Defendants' willful action and inaction,  
2 Plaintiff has suffered actual damages, including, but not limited to, reviewing  
3 consumer reports, attorneys' fees, loss of credit, loss of ability to purchase and  
4 benefit from credit, increased costs for credit, mental and emotional pain and  
5 anguish, and humiliation and embarrassment of the possibility of credit denials.

6 109. Plaintiff has further spent countless hours and suffered pecuniary loss in  
7 attempting to correct Defendants' inaccurate and derogatory information,  
8 without success.

9 110. Most critically, Plaintiff now cannot open another checking account with  
10 financial institutions that review Early Warning consumer reports due to  
11 inaccurate reporting of checking account fraud on his Early Warning consumer  
12 report.

13 111. Plaintiff also has refrained from applying to financial institutions that review  
14 Early Warning consumer reports for a checking account for fear of future  
15 denials.

16 112. Based upon the discussion above, Plaintiff contends that punitive damages are  
17 available to Plaintiff.

18 113. By intentionally reporting inaccurate information, Defendants acted in  
19 conscious disregard for Plaintiff's rights.

20 114. Since Plaintiff's efforts to correct his consumer report were unsuccessful,  
21 Plaintiff was required to bring this action to finally resolve Plaintiff's remaining  
22 disputes.

23 115. As a result of Defendants' actions, omissions, and willful action and inaction,  
24 Plaintiff has suffered damage by inability to bank, loss of ability to purchase and  
25 benefit from credit/debit, increased costs for credit/debit, invasion of privacy,  
26 personal embarrassment, loss of personal reputation, loss of productive time,  
27 nausea, and feelings of fear, anxiety, hopelessness, anger, persecution, emotional  
28 distress, frustration, upset, humiliation, and embarrassment, amongst other



negative emotions.

116. Plaintiff's injuries are concrete. Defendants' conduct of reporting inaccurate and derogatory information is analogous to the common law tort of defamation.

117. Furthermore, the Legislature enacted the FCRA to protect consumers from precisely the conduct described in this Complaint. The banking system is dependent upon fair and accurate credit reporting; and inaccurate credit reports directly impair the efficiency of the banking system, and unfair credit reporting methods undermine the public confidence, which is essential to the continued functioning of the banking system.

118. Consequently, the FCRA was enacted to insure fair and accurate reporting, promote efficiency in the banking system and protect consumer privacy; and to ensure that consumer reporting agencies exercise their grave responsibilities with fairness, impartiality, and a respect for the consumer's right to privacy because consumer reporting agencies have assumed such a vital role in assembling and evaluating consumer credit and other information on consumers.

119. The alleged transgressions by Defendants would, if left unchecked in a competitive marketplace, naturally propagate had the Legislature not created laws to give vulnerable consumers a voice and a mechanism for private enforcement.

## **CAUSES OF ACTION CLAIMED BY PLAINTIFF**

### **COUNT I**

#### **VIOLATION OF THE FAIR CREDIT REPORTING ACT**

##### **15 U.S.C. § 1681E(B)**

##### **[AS TO EARLY WARNING]**

120. Plaintiff incorporates by reference all of the above paragraphs of this Complaint as though fully stated herein.

121. Early Warning violated 15 U.S.C. §1681e(b) by failing to establish or to follow reasonable procedures to assure maximum possible accuracy in the preparation of the Plaintiff's consumer report and file it published and maintains concerning



the Plaintiff.

122. As a result of the conduct, actions and inactions of Early Warning, Plaintiff suffered actual damages including without limitation, by example only and as described herein on Plaintiff's behalf by counsel: inability to bank, loss of credit, damage to reputation, embarrassment, humiliation, and other mental and emotional distress.

123. The conduct, actions and inactions by Early Warning were willful, rendering Early Warning liable for punitive damages in an amount to be determined by the Court pursuant to 15 U.S.C. §1681n. In the alternative, Early Warning was at a minimum negligent entitling Plaintiff to recover under 15 U.S.C. §1681o.

124. Plaintiff is entitled to recover actual damages, statutory damages, costs and attorney's fees from Early Warning in an amount to be determined by the Court pursuant to 15 U.S.C. §1681n and §1681o.

**COUNT II**  
**VIOLATION OF THE FAIR CREDIT REPORTING ACT**  
**15 U.S.C. § 1681I(A)(1)**  
**[AS TO EARLY WARNING]**

125. Plaintiff incorporates by reference all of the above paragraphs of this Complaint as though fully stated herein.

126. Early Warning violated 15 U.S.C. §1681i(a)(1) by failing to conduct a reasonable reinvestigation to determine whether the disputed information is inaccurate and record the current status of the disputed information or delete the item from the Plaintiff's consumer report.

127. As a result of the conduct, actions and inactions of Early Warning, Plaintiff suffered actual damages including without limitation, by example only and as described herein on Plaintiff's behalf by counsel: inability to bank, loss of credit, damage to reputation, embarrassment, humiliation, and other mental and emotional distress.

128. The conduct, actions and inactions by Early Warning were willful, rendering

1 Early Warning liable for punitive damages in an amount to be determined by the  
2 Court pursuant to 15 U.S.C. §1681n. In the alternative, Early Warning was  
3 negligent entitling Plaintiff to recover under 15 U.S.C. §1681o.

4 129. Plaintiff is entitled to recover actual damages, statutory damages, costs and  
5 attorney's fees from Early Warning in an amount to be determined by the Court  
6 pursuant to 15 U.S.C. §1681n and §1681o.

7 **COUNT III**  
8 **VIOLATION OF THE FAIR CREDIT REPORTING ACT**  
9 **15 U.S.C. § 1681I(A)(4)**  
10 **[AS TO EARLY WARNING]**

11 130. Plaintiff incorporates by reference all of the above paragraphs of this  
12 Complaint as though fully stated herein.

13 131. Early Warning violated 15 U.S.C. §1681i(a)(4) on multiple occasions by  
14 failing to review and consider all relevant information submitted by Plaintiff.

15 132. As a result of the conduct, actions and inactions of Early Warning, Plaintiff  
16 suffered actual damages including without limitation, by example only and as  
17 described herein on Plaintiff's behalf by counsel: inability to bank, loss of credit,  
18 damage to reputation, embarrassment, humiliation, and other mental and  
19 emotional distress.

20 133. The conduct, actions and inactions by Early Warning were willful, rendering  
21 Early Warning liable for punitive damages in an amount to be determined by the  
22 Court pursuant to 15 U.S.C. §1681n. In the alternative, Early Warning was  
23 negligent entitling the Plaintiff to recover under 15 U.S.C. §1681o.

24 134. Plaintiff is entitled to recover actual damages, statutory damages, costs and  
25 attorney's fees from Early Warning in an amount to be determined by the Court  
26 pursuant to 15 U.S.C. §1681n and §1681o.

27 //

28 //

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**COUNT IV**  
**VIOLATION OF THE FAIR CREDIT REPORTING ACT**  
**15 U.S.C. § 1681(A)(5)(A)**  
**[AS TO EARLY WARNING]**

135. Plaintiff incorporates by reference all of the above paragraphs of this Complaint as though fully stated herein.

136. Early Warning violated 15 U.S.C. §1681i(a)(5)(A) on multiple occasions by failing to promptly delete the disputed inaccurate item of information from Plaintiff's consumer report or modify the item of information upon an accurate reinvestigation.

137. As a result of the conduct, actions and inactions of Early Warning, Plaintiff suffered actual damages including without limitation, by example only and as described herein on Plaintiff's behalf by counsel: inability to bank, loss of credit, damage to reputation, embarrassment, humiliation, and other mental and emotional distress.

138. The conduct, actions and inactions by Early Warning were willful, rendering Early Warning liable for punitive damages in an amount to be determined by the Court pursuant to 15 U.S.C. §1681n. In the alternative, Early Warning was negligent entitling the Plaintiff to recover under 15 U.S.C. §1681o.

139. Plaintiff is entitled to recover actual damages, statutory damages, costs, and attorney's fees from Early Warning in an amount to be determined by the Court pursuant to 15 U.S.C. §1681n and §1681o.

**COUNT V**  
**VIOLATION OF THE FAIR CREDIT REPORTING ACT**  
**15 U.S.C. § 1681J(A)(2)**  
**[AS TO EARLY WARNING]**

140. Plaintiff incorporates by reference all of the above paragraphs of this Complaint as though fully stated herein.

141. Early Warning violated 15 U.S.C. § 1681j(a)(2) by failing to provide Plaintiff

1 with a free copy of his consumer report within 15 days after Plaintiff's request  
2 was delivered to Early Warning.

3 142. As a result of the conduct, actions and inactions of Early Warning, Plaintiff  
4 suffered actual damages including without limitation, by example only and as  
5 described herein on Plaintiff's behalf by counsel: inability to bank, loss of credit,  
6 damage to reputation, embarrassment, humiliation, and other mental and  
7 emotional distress.

8 143. The conduct, actions and inactions by Early Warning were willful, rendering  
9 Early Warning liable for punitive damages in an amount to be determined by the  
10 Court pursuant to 15 U.S.C. §1681n. In the alternative, Early Warning was  
11 negligent entitling the Plaintiff to recover under 15 U.S.C. §1681o.

12 144. Plaintiff is entitled to recover actual damages, statutory damages, costs, and  
13 attorney's fees from Early Warning in an amount to be determined by the Court  
14 pursuant to 15 U.S.C. §1681n and §1681o.

15 **COUNT VI**  
16 **VIOLATION OF THE FAIR CREDIT REPORTING ACT**  
17 **15 U.S.C. § 1681s-2(B)(1)(A)**  
**[AS TO NAVY]**

18 145. Plaintiff incorporates by reference all of the above paragraphs of this Complaint  
19 as though fully stated herein.

20 146. Navy was required to conduct a reasonable investigation into the disputed  
21 account on Plaintiff's consumer report pursuant to 15 U.S.C. § 1681s-2(b)(1)(A).

22 147. Navy violated 15 U.S.C. § 1681s-2(b)(1)(A) on multiple occasions by failing to  
23 conduct a reasonable investigation to determine whether the disputed  
24 information is inaccurate and record the current status of the disputed  
25 information or request the item to be permanently deleted Plaintiff's consumer  
26 report.  
27  
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1 148. Accordingly, Navy failed to conduct a reasonable investigation with respect to  
2 the disputed information as required by 15 U.S.C. § 1681s- 2(b)(1)(A) by failing  
3 to remove all of the disputed and incorrect information.

4 149. As a result of the conduct, actions and inactions of Navy, Plaintiff suffered actual  
5 damages including without limitation, by example only and as described herein  
6 on Plaintiff's behalf by counsel: inability to bank, loss of credit, damage to  
7 reputation, embarrassment, humiliation and other mental and emotional distress.

8 150. The conduct, actions and inactions by Navy were willful, rendering Navy liable  
9 for punitive damages in an amount to be determined by the Court pursuant to 15  
10 U.S.C. §1681n. In the alternative, Navy was negligent entitling the Plaintiff to  
11 recover under 15 U.S.C. §1681o.

12 151. Plaintiff is entitled to recover actual damages, statutory damages, costs and  
13 attorney's fees from Navy in an amount to be determined by the Court pursuant  
14 to 15 U.S.C. §1681n and §1681o.

15 **COUNT VII**  
16 **VIOLATION OF THE FAIR CREDIT REPORTING ACT**  
17 **15 U.S.C. § 1681s-2(B)(1)(B)**  
**[AS TO NAVY]**

18 152. Plaintiff incorporates by reference all of the above paragraphs of this Complaint as  
19 though fully stated herein.

20 153. Navy violated 15 U.S.C. § 1681s-2(b)(1)(B) on multiple occasions by failing to  
21 review all relevant information provided by Plaintiff in the dispute to Early  
22 Warning.

23 154. As a result of the conduct, actions and inactions of Navy, Plaintiff suffered actual  
24 damages including without limitation, by example only and as described herein  
25 on Plaintiff's behalf by counsel: inability to bank, loss of credit, damage to  
26 reputation, embarrassment, humiliation, and other mental and emotional distress.  
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1 155. The conduct, actions and inactions by Navy were willful, rendering Navy liable  
2 for punitive damages in an amount to be determined by the Court pursuant to 15  
3 U.S.C. §1681n.

4 156. In the alternative, Navy was negligent entitling the Plaintiff to recover under 15  
5 U.S.C. §1681o.

6 157. Plaintiff is entitled to recover actual damages, statutory damages, costs and  
7 attorney's fees from Navy in an amount to be determined by the Court pursuant  
8 to 15 U.S.C. §1681n and §1681o.

9 **COUNT VIII**  
10 **VIOLATION OF THE FAIR CREDIT REPORTING ACT**  
11 **15 U.S.C. § 1681s-2(B)(1)(C)-(E)**  
12 **[AS TO NAVY]**

13 158. Plaintiff incorporates by reference all of the above paragraphs of this Complaint as  
14 though fully stated herein.

15 159. Due to Navy's failure to reasonably investigate, Navy further failed to correct  
16 and update Plaintiff's information as required by 15 U.S.C. § 1681s-2(b)(1)(E),  
17 thereby causing continued reporting of inaccurate information in violation of 15  
18 U.S.C. § 1681-s(2)(b)(1)(C).

19 160. By inaccurately reporting account information after notice and confirmation of  
20 its errors, Navy failed to take appropriate measures as required by 15 U.S.C. §  
21 1681s-2(b)(1)(D); and, (E).

22 161. The conduct, actions and inactions by Navy were willful, rendering Navy liable  
23 for punitive damages in an amount to be determined by the Court pursuant to 15  
24 U.S.C. §1681n.

25 162. In the alternative, Navy was negligent entitling the Plaintiff to recover under 15  
26 U.S.C. §1681o.

27 163. Plaintiff is entitled to recover actual damages, statutory damages, costs and  
28 attorney's fees from Navy in an amount to be determined by the Court pursuant  
to 15 U.S.C. §1681n and §1681o.

**COUNT IX**  
**VIOLATION OF THE CALIFORNIA CONSUMER CREDIT REPORTING AGENCIES**  
**ACT CAL. CIV. CODE § 1785.1, *ET SEQ.***  
**[AS TO NAVY]**

164. Plaintiff incorporates by reference all of the above paragraphs of this Complaint as though fully stated herein.

165. The foregoing acts and omissions constitute numerous and multiple violations of the California Consumer Credit Reporting Agencies Act.

166. In the regular course of its business operations, Navy routinely furnishes information to credit reporting agencies pertaining to transactions between Navy and Navy's consumers, thereby providing information to the credit reporting agencies regarding a consumer's credit worthiness, credit standing and credit capacity.

167. Because Navy is a partnership, corporation, association, or other entity, and is therefore a "person" as that term is defined by Cal. Civ. Code § 1785.3(j), Navy is and always was obligated to not furnish information on a specific transaction or experience to any consumer credit reporting agency if the person knows or should have known that the information is incomplete or inaccurate, as required by Cal. Civ. Code § 1785.25(a).

168. Navy should have determined that its reporting was inaccurate through review of Navy's own account notes and records. This is especially true since Plaintiff provided multiple oral and written disputes attesting to the unauthorized transactions on the accounts at issue.

169. However, despite this knowledge of the fact that Plaintiff did not commit fraud, Navy continued to report the inaccurate information to Plaintiff's Early Warning consumer report.

170. As a result of the willful, negligent, and/or reckless actions and inactions of Navy, Plaintiff suffered actual damages including without limitation, by example only and as described herein on Plaintiff's behalf by counsel: inability to bank,



1 loss of credit, damage to reputation, embarrassment, humiliation and other  
2 mental and emotional distress.

3 **COUNT X**  
4 **VIOLATION OF THE ELECTRONIC FUNDS TRANSFER ACT**  
5 **15 U.S.C. § 1693 *et seq.***  
6 **[AS TO NAVY]**

7 171. Plaintiff incorporates by reference all of the above paragraphs of this  
8 Complaint as though fully stated herein.

9 172. Plaintiff did not give actual authority to anyone to initiate the electronic  
10 transfers at issue from his accounts, and therefore these transfers constituted  
11 unauthorized electronic fund transfers under §1693a(12) and 12 C.F.R.  
12 1005.2(m).

13 173. Plaintiff notified Navy of the error within 60 days of gaining access to his  
14 account statements, and therefore Navy was obligated to comply with the error  
15 investigation procedures of the EFTA. 12 C.F.R. § 1005.11(b)(1)(i).

16 174. Navy is liable to Plaintiff for treble damages under 15 U.S.C. § 1693f(e)  
17 because it did not issue Plaintiff a sufficient provisional credit within 10 days,  
18 and it failed to conduct a good faith investigation and did not have a reasonable  
19 basis for believing Plaintiff's account was not in error. 15 U.S.C. § 1693f(e)(1).

20 175. Navy knowingly and/or willfully concluded that Plaintiff had performed the  
21 disputed transfers when such a conclusion could not reasonably have been drawn  
22 from the evidence available to it at the time of its investigation, in violation of  
23 §1693f(e)(2).

24 176. Navy failed to provide Plaintiff with an adequate explanation as to the results  
25 of its investigation in violation of 15 U.S.C. § 1693f.

26 177. Navy further failed to provide Plaintiff with the documents it relied on during  
27 its investigation, despite Plaintiff's requests in violation of 15 U.S.C. § 1693f.

28 178. As a result of each and every violation of EFTA, Plaintiff is entitled to any  
actual damages pursuant to 15 U.S.C. § 1693m(a)(1); statutory damages

pursuant to 15 U.S.C. § 1693m(a)(2)(A); and reasonable attorneys' fees and costs pursuant to 15 U.S.C. § 1693m(a)(3).

**PRAYER FOR RELIEF**

WHEREFORE, Plaintiff prays that judgment be entered against the Defendants for:

**FIRST CAUSE OF ACTION  
FAIR CREDIT REPORTING ACT,  
15 U.S.C. §§ 1681, *ET SEQ.*  
[AS TO NAVY AND EARLY WARNING]**

- An award of actual damages, in an amount to be determined at trial or damages of a maximum of \$1,000 pursuant to 15 U.S.C. § 1681n(a)(1)(A), against each Defendant for each incident of willful noncompliance of the FCRA;
- An award of actual damages in an amount to be determined at trial pursuant to 15 U.S.C. § 1681o(a)(1) against Defendants for each incident of negligent noncompliance of the FCRA;
- Statutory damages;
- Punitive damages according to proof as to the FCRA, including, an award of punitive damages, as the Court may allow pursuant to 15 U.S.C. § 1681n and/or § 1681o, against each Defendant for each incident of willful noncompliance to the FCRA;
- Costs and reasonable attorney's fees pursuant to 15 U.S.C. §§ 1681n, and 1681o;
- An order directing that Defendants immediately delete all of the inaccurate information from Plaintiff's consumer reports and files and cease reporting the inaccurate information to any and all persons and entities to whom they report consumer credit information;
- An order directing that Defendants send to all persons and entities to whom they have reported Plaintiff's inaccurate information within the last three years Plaintiff's updated and corrected consumer report information; and,
- Any and all other relief the Court deems just and proper.

**SECOND CAUSE OF ACTION**  
**CALIFORNIA CONSUMER CREDIT REPORTING AGENCIES ACT,**  
**CAL. CIV. CODE § 1785.1, *ET SEQ.***  
**[AS TO NAVY]**

- Actual damages, including court costs, loss of wages, and pain and suffering pursuant to Cal. Civ. Code § 1785.31(a);
- Costs and reasonable attorney's fees pursuant to Cal. Civ. Code § 1785.31(a)(1); and, Cal. Civ. Code § 1785.31(d);
- Punitive damages according to proof as to the CCCRAA, including an award of punitive damages of \$100-\$5,000 per willful violation of Cal. Civ. Code § 1785.25(a), pursuant to Cal. Civ. Code § 1785.31(a)(2)(B);
- Equitable and injunctive relief pursuant to Cal. Civ. Code § 1785.31(b);
- An order directing that Defendant immediately delete all of the inaccurate information from Plaintiff's credit reports and files and cease reporting the inaccurate information to any and all persons and entities to whom they report consumer credit information;
- An order directing that Defendant send to all persons and entities to whom they have reported Plaintiff's inaccurate information within the last three years Plaintiff's updated and corrected credit report information; and
- Any and all other relief the Court deems just and proper.

**THIRD CAUSE OF ACTION**  
**ELECTRONIC FUNDS TRANSFER ACT**  
**15 U.S.C. § 1693 *et seq.***  
**[AS TO NAVY]**

- An award of actual damages pursuant to 15 U.S.C. § 1693m(a)(1);
- An award of treble damages pursuant to 15 U.S.C. § 1693f(e);
- An award of statutory damages of no less than \$100 nor greater than \$1,000 per violation pursuant to 15 U.S.C. § 1693m(a)(2)(A);
- An award of costs of litigation and reasonable attorneys' fees pursuant to 15 U.S.C. § 1693m(a)(3);

- 1 • Any and all other relief the Court deems just and proper.

2  
3 **TRIAL BY JURY IS DEMANDED**

4 Pursuant to the Seventh Amendment to the Constitution of the United States of  
5 America, Plaintiff is entitled to, and demands, a trial by jury.

6 Dated: May 28, 2025

Respectfully submitted,

7  
8 **KAZEROUNI LAW GROUP, APC**

9 By: /s/ Gor Antonyan,, Esq.

10 Gor Antonyan, Esq.

11 David J. McGlothlin, Esq.

12 *Attorneys for Plaintiff*

